

**Senate File 2326 - Introduced**

SENATE FILE 2326

BY COMMITTEE ON WAYS AND MEANS

(SUCCESSOR TO SF 2050)

**A BILL FOR**

1 An Act increasing the amount of generating capacity eligible  
2 for the renewable energy tax credit.  
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 476C.1, subsection 6, paragraph d, Code  
2 Supplement 2011, is amended to read as follows:

3 d. Was initially placed into service on or after July 1,  
4 2005, and before January 1, ~~2015~~ 2020.

5 Sec. 2. Section 476C.3, subsection 4, Code Supplement 2011,  
6 is amended to read as follows:

7 4. a. The maximum amount of nameplate generating capacity  
8 of all wind energy conversion facilities the board may find  
9 eligible under this chapter shall not exceed three hundred  
10 sixty-three megawatts of nameplate generating capacity.  
11 Beginning January 1, 2015, through December 31, 2019, this  
12 maximum shall be increased each year by fifteen megawatts over  
13 the maximum in the previous year. Beginning January 1, 2020,  
14 the maximum amount of nameplate generating capacity of all  
15 wind energy conversion facilities the board may find eligible  
16 under this chapter shall not exceed four hundred thirty-eight  
17 megawatts of nameplate generating capacity.

18 b. The maximum amount of energy production capacity  
19 equivalent of all other facilities the board may find eligible  
20 under this chapter shall not exceed a combined output of  
21 fifty-three megawatts of nameplate generating capacity and  
22 one hundred sixty-seven billion British thermal units of  
23 heat for a commercial purpose. Beginning January 1, 2015,  
24 through December 31, 2019, this maximum shall be increased  
25 each year by the energy production capacity equivalent of a  
26 combined output of five megawatts, and the British thermal unit  
27 equivalent, over the maximum in the previous year. Beginning  
28 January 1, 2020, the maximum amount of energy production  
29 capacity equivalent of all other facilities the board may find  
30 eligible under this chapter shall not exceed seventy-eight  
31 megawatts of nameplate generating capacity, and the British  
32 thermal unit equivalent. Of the maximum amount of energy  
33 production capacity equivalent of all other facilities found  
34 eligible under this chapter, no more than ten megawatts of  
35 nameplate generating capacity or energy production capacity

1 equivalent shall be allocated to any one facility. Of the  
 2 maximum amount of energy production capacity equivalent of all  
 3 other facilities found eligible under this chapter, fifty-five  
 4 billion British thermal units of heat for a commercial purpose  
 5 shall be reserved for an eligible facility that is a refuse  
 6 conversion facility for processed, engineered fuel from a  
 7 multicounty solid waste management planning area. The maximum  
 8 amount of energy production capacity the board may find  
 9 eligible for a single refuse conversion facility is fifty-five  
 10 billion British thermal units of heat for a commercial purpose.  
 11 Of the maximum amount of energy production capacity equivalent  
 12 of all other facilities found eligible under this chapter, an  
 13 amount equivalent to ten megawatts of nameplate generating  
 14 capacity shall be reserved for eligible renewable energy  
 15 facilities incorporated within or associated with an ethanol  
 16 cogeneration plant engaged in the sale of ethanol to states to  
 17 meet a low carbon fuel standard.

18 Sec. 3. Section 476C.5, Code Supplement 2011, is amended to  
 19 read as follows:

20 **476C.5 Certificate issuance period.**

21 A producer or purchaser of renewable energy may receive  
 22 renewable energy tax credit certificates for a ten-year period  
 23 for each eligible renewable energy facility under this chapter.  
 24 The ten-year period for issuance of the tax credit certificates  
 25 begins with the date the purchaser of renewable energy first  
 26 purchases electricity, hydrogen fuel, methane gas or other  
 27 biogas used to generate electricity, or heat for commercial  
 28 purposes from the eligible renewable energy facility for  
 29 which a tax credit is issued under this chapter, or the date  
 30 the producer of the renewable energy first uses the energy  
 31 produced by the eligible renewable energy facility for on-site  
 32 consumption. Renewable energy tax credit certificates shall  
 33 not be issued for renewable energy purchased or produced for  
 34 on-site consumption after December 31, ~~2024~~ 2029.

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EXPLANATION

1 This bill relates to the maximum amount of generating  
2 capacity of renewable energy facilities eligible for the  
3 renewable energy tax credit provided in Code chapter 476C.

4 Currently, the maximum amount of nameplate generating  
5 capacity of all wind energy conversion facilities the Iowa  
6 utilities board may find eligible for the tax credit shall not  
7 exceed 363 megawatts of nameplate generating capacity. The  
8 bill provides that beginning January 1, 2015, this maximum  
9 shall be increased by 15 megawatts annually, with the last  
10 increase occurring January 1, 2019. Also, currently, the  
11 maximum amount of energy production capacity equivalent of  
12 nonwind renewable energy facilities the board may find eligible  
13 for the tax credit shall not exceed a combined output of 53  
14 megawatts of nameplate generating capacity and 167 billion  
15 British thermal units of heat for a commercial purpose. The  
16 bill similarly provides that beginning January 1, 2015, this  
17 maximum shall be increased by the energy production capacity  
18 equivalent of a combined output of five megawatts and the  
19 British thermal unit equivalent annually, with the last  
20 increase occurring January 1, 2019. The bill specifies the  
21 resulting maximum amounts of capacity applicable each year  
22 beginning January 1, 2020.

23 Consistent with these annual increases, the bill extends the  
24 time period during which a facility must be placed into service  
25 to be considered an eligible renewable energy facility from the  
26 current limitation of prior to January 1, 2015, to prior to  
27 January 1, 2020. A conforming change is also made extending  
28 the date after which a renewable energy tax credit certificate  
29 shall not be issued from December 31, 2024, to December 31,  
30 2029.